

Note: This document has been translated from a part of the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

Securities code: 5805

June 6, 2023

To our shareholders:

Takayo Hasegawa  
President and Representative Director  
**SWCC Corporation**  
1-14, Nisshin-cho, Kawasaki-Ku,  
Kawasaki City

## Notice of the 127th Ordinary General Meeting of Shareholders

The 127th Ordinary General Meeting of Shareholders of SWCC Corporation (the “Company”) will be held as described below.

When convening the Ordinary General Meeting of Shareholders, the Company takes measures for providing information that constitutes the content of Reference Documents for the General Meeting of Shareholders, etc. (items for which measures for providing information in electronic format are to be taken) in electronic format, and posts this information as “Notice of the 127th Ordinary General Meeting of Shareholders” on the following websites. Please access any of these websites to review the information.

The Company’s website (in Japanese):

<https://www.swcc.co.jp/jpn/ir/stock/meeting.html>

Website where notice of the ordinary general meeting of shareholders is posted (in Japanese):

<https://d.sokai.jp/5805/teiji/>

TSE website (Listed Company Search) (in Japanese):

<https://www2.jpx.co.jp/tseHpFront/JJK010010Action.do?Show=Show>

(Access the TSE website, enter “SWCC” (full-width characters) in “Issue name (company name)” or the Company’s securities code “5805” (half-width characters) in “Code,” and click “Search.” Then, click “Basic information” and select “Documents for public inspection/PR information.” Under “Filed information available for public inspection,” click “Click here for access” under “[Notice of General Shareholders Meeting/Informational Materials for a General Shareholders Meeting].”)

If you are unable to attend the meeting in person, you may exercise your voting rights by mail or electronically (via the Internet, etc.). In such a case, please review the “Reference Documents for the General Meeting of Shareholders,” and exercise your voting rights by 5:00 p.m. on Monday, June 26, 2023.

▶ To exercise your voting rights via the Internet, etc.

When exercising your voting rights via the Internet, etc., please refer to the “Guidance for Exercising Voting Rights via the Internet, etc.” below (this information is available in Japanese original).

▶ To exercise your voting rights in writing (by mail)

Please indicate your approval or disapproval of the proposals on the enclosed voting form and return the form to us so that it reaches us by the deadline for exercising your voting rights as stated above.

<b>1. Date and Time:</b>	Tuesday, June 27, 2023 at 10:00 a.m. (Japan Standard Time)	
<b>2. Place:</b>	<b>Hou-ou, 12F, Kawasaki Nikko Hotel</b> 1 Nisshin-cho, Kawasaki-Ku, Kawasaki City, Kanagawa (Please refer to the venue map at the end of the Japanese original.)	
<b>3. Purposes:</b>	<b>Items to be reported:</b>	<ol style="list-style-type: none"> <li>1. Business Report and the Consolidated Financial Statements for the 127th fiscal year (from April 1, 2022 to March 31, 2023) and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit &amp; Supervisory Committee</li> <li>2. Non-Consolidated Financial Statements for the 127th fiscal year (from April 1, 2022 to March 31, 2023)</li> </ol>
	<b>Items to be resolved:</b>	<p>Proposal 1: Appropriation of Surplus</p> <p>Proposal 2: Partial Amendments to the Articles of Incorporation</p> <p>Proposal 3: Election of Two (2) Directors (Excluding Directors Who Are Audit &amp; Supervisory Committee Members)</p> <p>Proposal 4: Election of Three (3) Directors Who Are Audit &amp; Supervisory Committee Members</p>
<b>4. Items to be Decided upon Convocation:</b>	<ol style="list-style-type: none"> <li>1. If you exercise your voting rights in writing (by mail) and do not indicate your approval or disapproval of the proposals on the voting form, we will treat it as if you had indicated your approval.</li> <li>2. If you exercise your voting rights more than once via the Internet, etc., the last exercise of voting rights shall be treated as the valid vote.</li> <li>3. If you exercise your voting rights both by mail and via the Internet, etc., the vote cast via the Internet, etc. will be treated as the valid vote, regardless of the date and time of arrival.</li> </ol>	

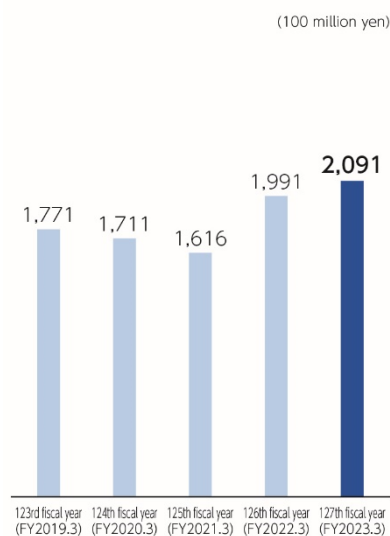
-End-

- **Please note that the Company has decided to forgo the custom of giving presents to the shareholders who attend the Meeting this year. Thank you for your understanding.**
- When you attend the Meeting in person, you are kindly requested to present the voting form at the reception desk.
- If revisions to the items subject to measures for electronic provision arise, a notice of the revisions and the details of the items before and after the revisions will be posted on the Company's website, etc.
- Shareholders who have made a request for delivery of paper-based documents will receive the paper-based documents that describe the items subject to measures for electronic provision. However, the Notes to Consolidated Financial Statements and the Notes to Non-Consolidated Financial Statements are not included in such documents, pursuant to the provisions of laws and regulations and Article 18 of the Company's Articles of Incorporation.

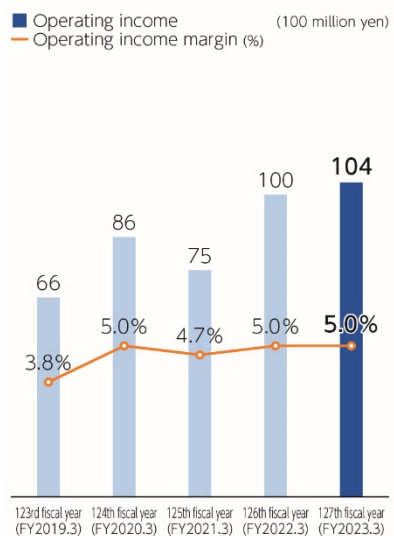
The Consolidated Financial Statements and Non-Consolidated Financial Statements audited by the Audit & Supervisory Committee in preparing its audit report and the Accounting Auditor in preparing its accounting audit report include, in addition to the content of the paper-based document, items to be presented as Notes to Consolidated Financial Statements and Notes to Non-Consolidated Financial Statements.

## Financial Highlight

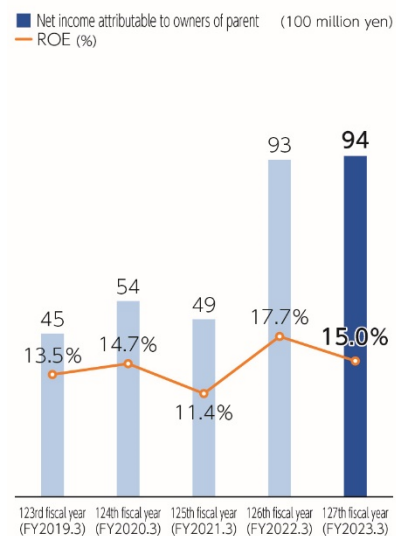
### Net sales



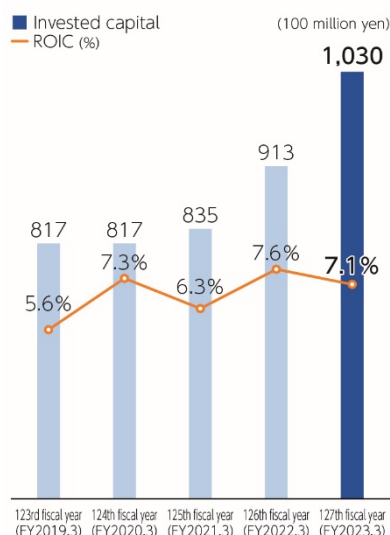
### Operating income/Operating income margin



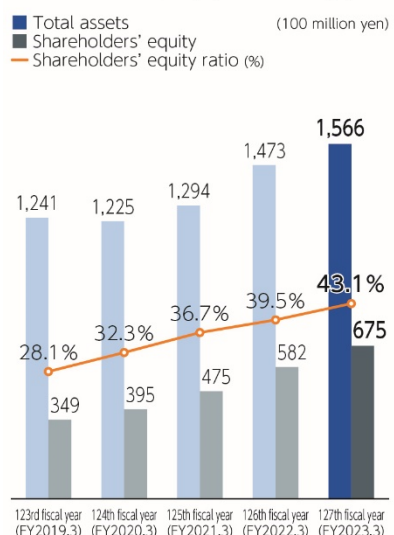
### Net income attributable to owners of parent/ROE



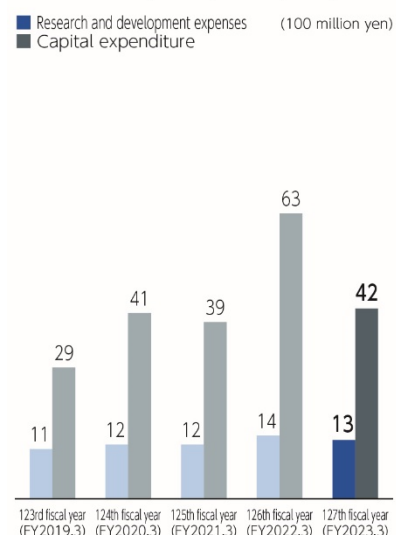
### Invested capital/ROIC



### Total assets/Shareholders' equity/Shareholders' equity ratio



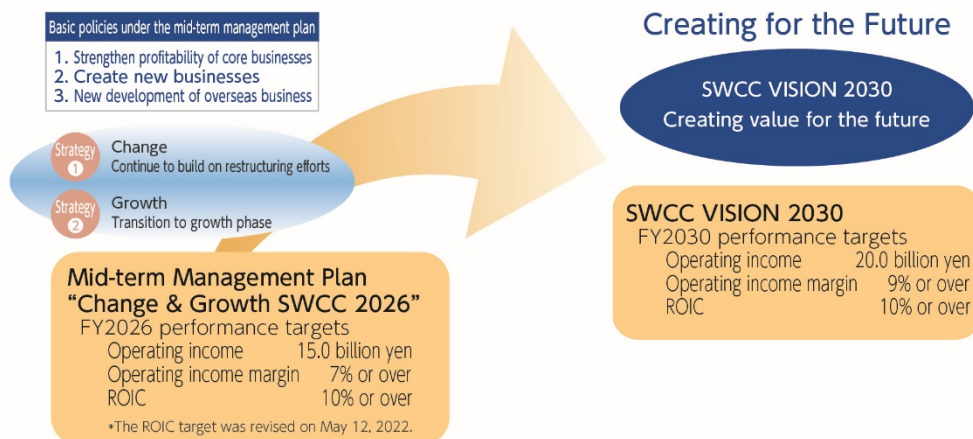
### Research and development expenses/Capital expenditure



## Management Policies of the SWCC Group

### (1) Medium-term management plan “Change & Growth SWCC 2026”

The SWCC Group has formulated its medium-term management plan “Change & Growth SWCC 2026,” which ends in FY2026 (fiscal year ending March 31, 2027), the 90th anniversary of the Company’s founding. In addition, we have formulated our vision of where SWCC Group wants to be as “SWCC VISION 2030,” a vision that we aim to achieve by FY2030 (fiscal year ending March 31, 2031).



### (2) SWCC Group management policy for FY2023

In FY2023, we will continue to steadily implement reforms to achieve the goals of the medium-term management plan, while making flexible and speedy decisions and implementing measures in response to changes in the market and environment, in order to further strengthen our management structure and improve capital efficiency. From this perspective, the SWCC Group management policy for FY2023 is set forth in the following five points.

1. Continuous reforms based on the spirit of change
2. Concretization and implementation of measures for growth strategy
3. Improvement of capital efficiency  
(Spreading the concept of ROIC management, deepening of cash flow management, and reducing the balance sheet)
4. Thorough quality control and safety-first initiatives  
(Building a framework and resolving to regain trust)
5. Improvement of engagement  
(Creating a comfortable workplace and promoting health management)

## Composition of the Board of Directors, Skill Matrix, and Reason for Selection of Skill Categories

(Upon the approval and adoption of Proposals 2, 3, and 4)

The Company's basic approach to corporate governance is based on the SWCC Purpose, which serves as a guide for the SWCC Group's significance of existence and for the management and employees to work together. We will continue to promote initiatives, recognizing that increasing the speed and efficiency of management and the associated strengthening of monitoring functions is a universal task for companies. In accordance with this approach, our policy is to appoint directors with outstanding character and insight who can supervise and execute management of the Company, and to have members with diverse backgrounds so as to cover a wide range of knowledge and expertise that the Company considers important.

Based on the above policy, we have decided to appoint persons to the Board of Directors who have abundant knowledge, expertise and experience in the fields of sales, overseas, accounting and finance, and technology, in a balanced manner, as knowledge and expertise in sustainability are essential to further promote efforts to solve social issues, in addition to experience in corporate management.

The Company will continue to review the skills required for the Board of Directors in accordance with changes in management policies and strategies.

The composition of the Board of Directors, together with a skill matrix indicating each candidate's knowledge, expertise and experience, and the reason for selection of the skill categories, is provided below.

### Composition of the Board of Directors

Name	Representative Director	Audit & Supervisory Committee Member	Nominating and Remuneration Committee Member	Outside Director	Independent Officer
Takayo Hasegawa	●				
Dongcheng Zhang					
Yuji Sakakura		●	●	●	●
Seiichiro Ichikawa		●	●	●	●
Takashi Mukuno		●	●	●	●
Minako Nishimura		●	●	●	●
Takashi Togawa		●			

### Skill matrix of each Director

Name	Essential skill		Sales	Overseas business	Accounting & finance	Engineering
	Corporate management	Sustainability				
Takayo Hasegawa	●	●				●
Dongcheng Zhang	●	●	●	●		
Yuji Sakakura	●	●		●	●	
Seiichiro Ichikawa	●	●				●
Takashi Mukuno	●	●	●	●		
Minako Nishimura	●	●				●
Takashi Togawa	●	●			●	

Notes: 1. The Company plans for Ms. Takayo Hasegawa to be reappointed as Representative Director by resolution at a meeting of the Board of Directors to be held after the conclusion of the Ordinary General Meeting of Shareholders.

2. Mr. Yuji Sakakura and Mr. Takashi Togawa will have served as Director (at the conclusion of the meeting) for three years.

## Skill categories and reason for their selection

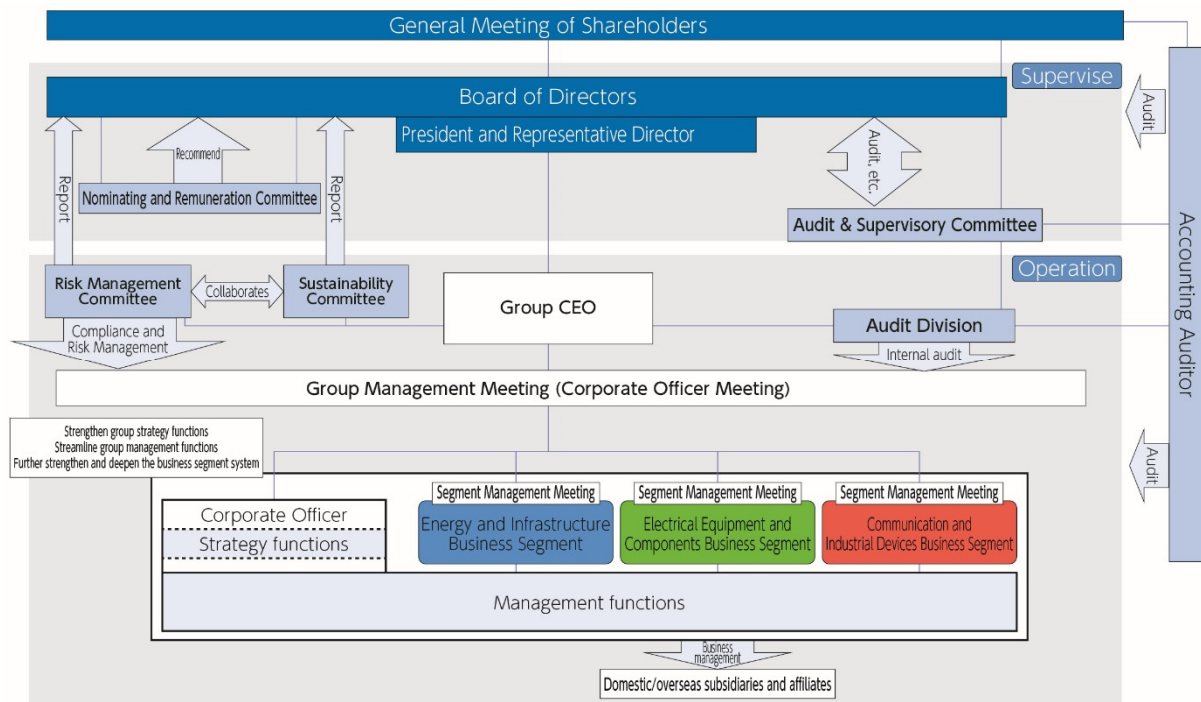
Skill categories	Reason for selection
Corporate management	To achieve the medium-term management plan “Change & Growth SWCC 2026,” the Company needs directors with reliable knowledge and experience regarding corporate management that can promote the sustainable growth of the Company’s corporate value.
Sustainability	The Company aims to utilize the technologies and experience it has built up through business based on the SWCC Purpose to promote business that solves social issues and thereby achieve a sustainable society and increase in corporate value. To this end, the Company needs directors with reliable knowledge and experience about the environment, society, and strengthening governance, etc.
Sales	To provide high-value-added products, the Company needs directors who have reliable knowledge and experience of ascertaining and analyzing market trends and formulating sales strategies.
Overseas business	To achieve sustainable growth in its overseas business, the Company needs directors who have overseas business management experience and reliable knowledge and experience of overseas business environments and so forth.
Accounting & finance	To promote growth investment for sustainably increasing corporate value and promote management for increasing capital efficiency taking return on invested capital (ROIC) as a key performance indicator, the Company needs directors with reliable knowledge and experience in accounting and finance.
Engineering	The Company needs directors with solid knowledge and experience in engineering to create products with appropriate quality, conduct extensive research and development, including basic research, create new business models, and promote digital transformation (DX).

## Corporate Governance Structure

The SWCC Group is working to increase the efficiency and speed of business execution by substantially delegating authority for business execution to Corporate Officers, while promoting the strengthening of auditing and supervisory functions centered on the Audit & Supervisory Committee.

In addition, by having clearly defined the authority and responsibility of the persons responsible (Corporate Officers in charge) for respective segments that are aligned with the SWCC Group's business segments (Energy and Infrastructure Business, Electrical Equipment and Components Business, and Communication and Industrial Device Business), we are promoting further enhancements to the revenue structure, which is no longer defined by individual business operating companies, and efficient management based on the performance indicator Return On Invested Capital (ROIC) and others.

Structure after the Ordinary General Meeting of Shareholders on June 27, 2023 (planned)





## Reference Documents for the General Meeting of Shareholders

### Proposals and Reference Information

#### **Proposal 1:** Appropriation of Surplus

The Company proposes that surplus be appropriated in the manner as stated below.

Matters related to year-end dividends

The Company's basic policy regarding the distribution of profits is to pay stable and continuous dividends to shareholders based on a capital policy that takes into consideration not only the earnings situation but also future business strategies and business development, including various investments for the growth of the SWCC Group.

In accordance with this policy, the Company proposes to pay year-end dividends for the 127th fiscal year as follows:

- (1) Type of dividend property:

Cash

- (2) Allocation of dividend property and the total amount distributed:

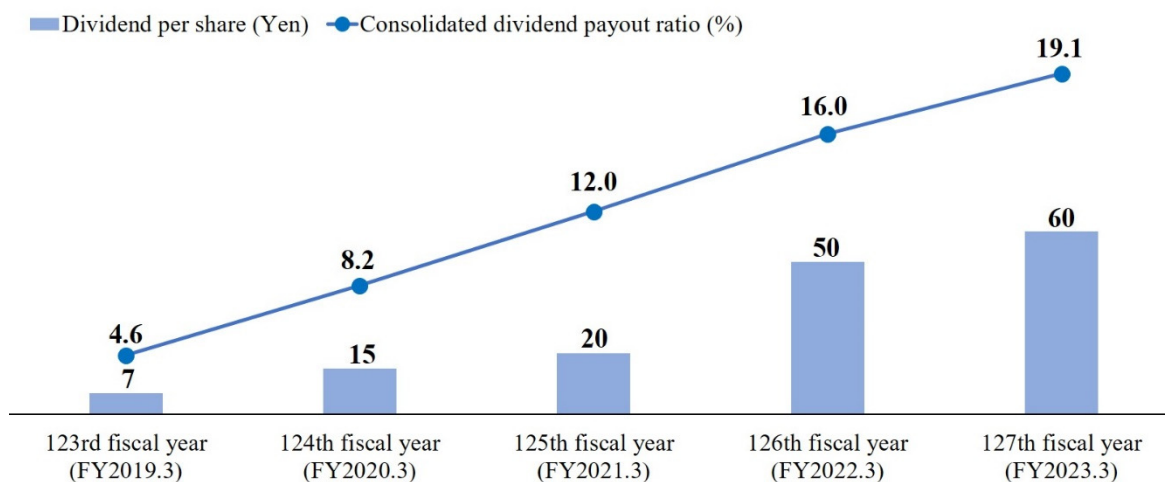
The Company proposes to pay a dividend of ¥60 per common share of the Company.

Total amount: ¥1,792,877,040

- (3) Effective date of distribution:

June 28, 2023

#### **Reference** Dividend per share/Consolidated dividend payout ratio



**Proposal 2: Partial Amendments to the Articles of Incorporation**

1. Reasons for proposal

In order to strengthen the supervisory function and corporate governance by increasing the number of Outside Directors who are Audit & Supervisory Committee Members, the number of Directors who are Audit & Supervisory Committee Members as stipulated in the current Article of Incorporation Article 19 (Number and Procedure for Election) is to be changed from four (4) to six (6).

2. Details of amendments

The details of the amendments are as follows:

(Amended parts are underlined)

Current Articles of Incorporation	Proposed Amendments
CHAPTER 4 DIRECTORS, THE BOARD OF DIRECTORS AND CORPORATE OFFICERS (Number and Procedure for Election) Article 19	CHAPTER 4 DIRECTORS, THE BOARD OF DIRECTORS AND CORPORATE OFFICERS (Number and Procedure for Election) Article 19
1. (Omitted)	1. (Unchanged)
2. The Company shall have up to <u>four (4)</u> Directors who are Audit & Supervisory Committee Members.	2. The Company shall have up to <u>six (6)</u> Directors who are Audit & Supervisory Committee Members.
3. to 5. (Omitted)	3. to 5. (Unchanged)

**Proposal 3: Election of Two (2) Directors (Excluding Directors Who Are Audit & Supervisory Committee Members)**

The terms of all three (3) Directors (excluding, here and in the paragraphs below, Directors who are Audit & Supervisory Committee Members) will expire at the conclusion of this Meeting.

Therefore, in order to enable the Board of Directors to make decisions strategically and flexibly, the Company proposes to reduce the number of Directors by one (1) and to elect two (2) Directors.

The candidates for Directors are as follows.

Note: Nomination of candidates for Directors was made according to the “Criteria for Nominating Director and Corporate Officer Candidates” and by resolution of the Board of Directors, after obtaining a report by the Nominating Committee in which Independent Outside Directors account for the majority of the members. In addition, the candidates were also deliberated by the Audit & Supervisory Committee, and confirmation was received that no particular opinions were expressed.

Candidate number	Name	Gender (Age)	Current Position and Responsibility in the Company	
1	<b>Takayo Hasegawa</b>	Female (63 years old)	President and Representative Director, Chairman of the Board of Directors Group CEO, Responsible for Supervising Group Management and Quality Control	Reelection
2	<b>Dongcheng Zhang</b>	Male (59 years old)	Representative Director Senior Corporate Officer, Assistant to President, Responsible for China Business Governance Restructuring	Reelection

Candidate number  
**1**

**Takayo Hasegawa** (October 15, 1959)  
(63 years old)

Number of the Company shares held  
16,071 shares  
Attendance at Board of Directors  
meetings (FY2022) 21/21  
Number of years in office as a Director  
10 years



Reelection

**[Career summary, positions and areas of responsibility in the Company]**

Apr. 1984 Joined the Company  
June 2005 Deputy General Manager, Engineering R&D Center, and General Manager,  
Superconductivity Project of the Company  
Apr. 2006 Director, General Manager, Engineering R&D Center of SWCC SHOWA CABLE  
SYSTEMS CO., LTD.  
Apr. 2008 Director, General Manager, Engineering R&D Center of SWCC SHOWA CABLE  
SYSTEMS CO., LTD.  
Manager, Product Planning Team, Corporate Planning Dept., Planning Div. of the  
Company  
June 2009 Executive Managing Director, General Manager, Engineering R&D Center of SWCC  
SHOWA CABLE SYSTEMS CO., LTD.  
Manager, Product Planning Team, Corporate Planning Dept. of the Company  
Apr. 2010 Executive Managing Director, General Manager, Engineering R&D Center of SWCC  
SHOWA CABLE SYSTEMS CO., LTD.  
Corporate Officer, General Manager, Engineering Planning Dept. of the Company  
June 2013 Director, General Manager, Engineering Planning Dept. of the Company  
Apr. 2017 Director of the Company  
June 2018 President and Director of the Company  
Apr. 2019 President and Representative Director, Group CEO of the Company  
Apr. 2020 **President and Representative Director, Chairman of the Board of Directors**  
**Group CEO of the Company (to present)**  
June 2022 **Independent Director of HOYA CORPORATION (to present)**

**Significant concurrent positions**

Independent Director of HOYA CORPORATION

**Reason for nomination as a candidate for Director**

Ms. Takayo Hasegawa possesses abundant work experience and an impressive track record mainly in engineering R&D-related departments of the Group, and has greatly increased corporate value through her excellent management skills and leadership. Since her appointment as Representative Director and Group CEO of the Company, she has led the SWCC Group by presenting a new medium-term management plan and long-term vision. We have determined that her extensive business experience, track record, and insight are indispensable to the management of the SWCC Group, and we propose her as a candidate to continue in her position as Director. After she takes office as Director, the Company will reappoint her as President and Representative Director, as well as Chairman of the Board of Directors.

**Message from the candidate**

Since assuming the position of CEO of SWCC Group, I have been striving to reform the governance of the Company and to manage the Company in a way that is suitable for generating stable earnings. I will continue to support the sustainable development of the growing company and contribute to maximizing its corporate value, with the aim of realizing the medium-term management plan.

- Notes:
1. There is no special interest between Ms. Takayo Hasegawa and the Company.
  2. The Company has taken out a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured person, including a Director of the Company, receives a claim for damages arising from the performance of duties and assumes legal liability for the damages. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. If Ms. Takayo Hasegawa is elected and appointed as Director, she will be insured by the policy. The Company plans to renew the policy with the same content with her at the next term of renewal.

Candidate number  
**2**

**Dongcheng Zhang** (January 6, 1964)  
59 years old

Number of the Company shares held  
5,862 shares  
Attendance at Board of Directors  
meetings (FY2022) 21/21  
Number of years in office as a Director  
8 years



Reelection

**[Career summary, positions and areas of responsibility in the Company]**

Apr. 1993 Joined the Company  
Oct. 2006 Deputy General Manager, Corporate Planning Dept. of the Company  
June 2012 Corporate Officer, General Manager, Overseas Business Planning Promotion Dept. of the Company  
June 2015 Director, General Manager, Overseas Business Planning Promotion Dept. of the Company  
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.  
Apr. 2017 Director of the Company  
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.  
June 2017 Executive Managing Director of the Company  
Chairman of TIANJIN SHOWA ENAMELLED WIRE CO., LTD.  
June 2018 Executive Managing Director and General Manager, Business Strategy Div. of the Company  
Apr. 2019 Director, Senior Corporate Officer, and General Manager, Business Strategy Div. of the Company  
Apr. 2020 Representative Director, Senior Corporate Officer, and General Manager, Business Strategy Div. of the Company  
Apr. 2021 **Representative Director, Senior Corporate Officer of the Company (to present)**

**Reason for nomination as a candidate for Director**

Mr. Dongcheng Zhang possesses extensive work experience and an impressive track record mainly in the SWCC Group's overseas business department. Since his appointment as Representative Director and Senior Corporate Officer of the Company, he has led this business area in a globally competitive environment, including making strategic proposals on the SWCC Group's business and promoting corporate governance reform. We believe that his wealth of experience, track record, and insight will contribute to the growth of the SWCC Group, and we propose him as a candidate to continue in his position as Director.

**Message from the candidate**

In order to build a management system that can adapt to global changes, I will make every effort to promote global governance reform of corporate activities, strengthen the system related to diversity management, risk management, and compliance, etc., which are required for the growth of overseas businesses toward "SWCC VISION 2030," and achieve the SWCC Group's medium-term management plan "Change & Growth SWCC 2026."

- Notes:
1. There is no special interest between Mr. Dongcheng Zhang and the Company.
  2. The Company has taken out a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured person, including a Director of the Company, receives a claim for damages arising from the performance of duties and assumes legal liability for the damages. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. If Mr. Dongcheng Zhang is elected and appointed as Director, he will be insured by the policy. The Company plans to renew the policy with the same content with him at the next term of renewal.

**Proposal 4: Election of Three (3) Directors Who Are Audit & Supervisory Committee Members**

The terms of two (2) Directors who are Audit & Supervisory Committee Members will expire at the conclusion of this Meeting.

The Company proposes the election of three (3) new Directors who are Audit & Supervisory Committee Members by adding one (1) Director who is an Audit & Supervisory Committee Member in order to strengthen auditing and supervisory functions.

This proposal can only take effect after Proposal 2 takes effect.

Prior consent of the Audit & Supervisory Committee has been obtained for this proposal.

The candidates for Directors are as follows.

Note: Nomination of candidates for Directors was made according to the “Criteria for Nominating Director and Corporate Officer Candidates” and the “Independence Criteria for Outside Officers,” and by resolution of the Board of Directors, after obtaining a report by the Nominating Committee in which Independent Outside Directors account for the majority of the members.

Candidate number	Name	Gender (Age)	Current Position and Responsibility in the Company	
1	Seiichiro Ichikawa	Male (69 years old)	Outside Director (Independent Officer)	Reelection Outside Independent
2	Takashi Mukuno	Male (64 years old)		New election Outside Independent
3	Minako Nishimura	Female (63 years old)		New election Outside Independent

Candidate number  
**1**

**Seiichiro Ichikawa** (December 8, 1953)  
(69 years old)

Number of the Company shares held  
500 shares  
Attendance at Board of Directors  
meetings (FY2022) 21/21  
Attendance at Audit & Supervisory  
Committee meetings (FY2022) 18/18  
Number of years in office as a Director  
2 years



Reelection  
Outside  
Independent

**[Career summary, positions and areas of responsibility in the Company]**

Apr. 1976 Joined Sapporo Breweries Limited  
Jan. 2002 Director, Osaka Brewery of Sapporo Breweries Limited  
Sep. 2004 Director, Production Department, Production Technology Division of Sapporo Breweries Limited  
Mar. 2005 Operating Officer, Director, Production Department, Production Technology Division of Sapporo Breweries Limited  
Mar. 2007 Operating Officer, Director, Shizuoka Brewery of Sapporo Breweries Limited  
Mar. 2008 Managing Executive Officer, Director, Shizuoka Brewery and Director, Product Technology Development Department of Sapporo Breweries Limited  
Mar. 2009 Director (Member of the Board) and Managing Executive Officer, Director, Production Technology Division of Sapporo Breweries Limited  
Mar. 2013 Director (Member of the Board) and Senior Managing Executive Officer, Director, Production Technology Division of Sapporo Breweries Limited  
June 2016 Outside Director of Nissan Shatai Co., Ltd.  
June 2021 **Outside Director (Audit & Supervisory Committee Member) of the Company (to present)**

**Summary of reason for nomination as a candidate for Outside Director and expected roles**

Mr. Seiichiro Ichikawa has developed a high level of insight into management through his career as a production technology-related business executor for a manufacturing company. He has been an Independent Outside Director of the Company since June 2021, and has made useful suggestions regarding the Company's management. We expect that he will continue to provide sufficient advice and supervision of the Company's overall management from an independent standpoint as an Outside Director, and have therefore nominated him as a candidate for Outside Director who is an Audit & Supervisory Committee Member.

**Message from the candidate**

In the two years since I assumed the position of Outside Director who is an Audit & Supervisory Committee Member, I have utilized my experience and knowledge in production, quality control, engineering, product development, and other areas to investigate quality issues, and monitor and supervise the management execution system, while actively expressing my opinions. I hope to further engage in my activities as an Outside Director who is an Audit & Supervisory Committee Member and contribute to the sustainable enhancement of corporate value in order to meet the expectations of our shareholders.

- Notes:
1. There is no special interest between Mr. Seiichiro Ichikawa and the Company.
  2. Mr. Seiichiro Ichikawa is a candidate for Outside Director. He possesses independence as stipulated by the Tokyo Stock Exchange's criteria for independence and the Company's "Independence Criteria for Outside Officers." He has been reported as independent officer stipulated in Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations, and the Company intends for him to continue to be as independent officer should his reappointment be approved.
  3. The Company has entered into the liability limitation contract with Mr. Seiichiro Ichikawa in accordance with the provisions of the Company's Articles of Incorporation and Article 427, paragraph (1) of the Companies Act to limit the liability for damages as provided for in Article 423, paragraph (1) of the Companies Act. The limitation of the liability for damages under the relevant contract is the minimum liability amount set forth in Article 425, paragraph (1) of the Companies Act. If the proposed appointment of Mr. Seiichiro Ichikawa is approved, the Company intends to continue said contract with him.
  4. The Company has taken out a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured person, including a Director of the Company, receives a claim for damages arising from the performance of duties and assumes legal liability for the damages. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. If Mr. Seiichiro Ichikawa is elected and

appointed as Director, he will be insured by the policy. The Company plans to renew the policy with the same content with him at the next term of renewal.

5. During the fiscal year under review, the Company confirmed inappropriate behavior regarding the quality products manufactured and sold the Company's manufacturing site. Mr. Seiichiro Ichikawa did not have prior knowledge of this fact, but has offered advice regularly at the Board of Directors on establishing internal controls and strengthening compliance functions. Since these facts came to light, he has performed his duties as an Outside Director by participating in an investigation committee chaired by an external specialist lawyer and offering advice for preventing a recurrence, and so forth.



Candidate number  
**2**

**Takashi Mukuno** (October 2, 1958)  
(64 years old)

Number of the Company shares held  
0 shares



New election  
Outside  
Independent

**[Career summary, positions and areas of responsibility in the Company]**

Apr. 1981 Joined Asahi Chemical Industry Co., Ltd. (currently Asahi Kasei Corp.)  
Sep. 2001 President & Director of Asahi Photoproducts Europe  
Aug. 2006 General Manager, New Business Development Office of Asahi Kasei Corp.  
Aug. 2008 President & Director of Asahi Kasei America, Inc.  
Apr. 2015 General Manager, Secretarial Office of Asahi Kasei Corp.  
Apr. 2017 Executive Officer, General Representative for China of Asahi Kasei Corp.  
Apr. 2019 Lead Executive Officer, General Representative for China of Asahi Kasei Corp.  
Apr. 2021 Senior Executive Officer, General Representative for China of Asahi Kasei Corp.  
Apr. 2022 **Advisor of Asahi Kasei Corp. (to present)**

**Summary of reason for nomination as a candidate for Outside Director and expected roles**

Mr. Takashi Mukuno has extensive knowledge of global corporate management based on his experience and achievements in sales and corporate planning at listed companies and as a top executive at overseas subsidiaries. Based on his extensive experience and track record, he is nominated as a candidate for Outside Director who is an Audit & Supervisory Committee Member in the expectation that he will make appropriate proposals regarding the Company's business from a global management perspective and supervise the execution of business.

**Message from the candidate**

The situation in Ukraine, soaring resource prices, and the trend toward decarbonization continue to cause major changes in the business environment for our industry, which supports the industrial base. Under these circumstances, I intend to fulfill my responsibilities as an Outside Director who is an Audit & Supervisory Committee Member from the perspective of creating a business structure and new businesses that can demonstrate the unique strengths of the SWCC Group, strengthening the physical strength that makes this possible, and pursuing efficient management.

- Notes:
1. There is no special interest between Mr. Takashi Mukuno and the Company.
  2. Mr. Takashi Mukuno is a candidate for Outside Director. He possesses independence as stipulated by the Tokyo Stock Exchange's criteria for independence and the Company's "Independence Criteria for Outside Officers." The Company intends for him to be as independent officer stipulated in Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations.
  3. If the proposed appointment of Mr. Takashi Mukuno is approved, the Company intends to enter into the liability limitation contract with him in accordance with the provisions of the Company's Articles of Incorporation and Article 427, paragraph (1) of the Companies Act to limit the liability for damages as provided for in Article 423, paragraph (1) of the Companies Act. The limitation of the liability for damages under the relevant contract is the minimum liability amount set forth in Article 425, paragraph (1) of the Companies Act.
  4. The Company has taken out a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured person, including a Director of the Company, receives a claim for damages arising from the performance of duties and assumes legal liability for the damages. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. If Mr. Takashi Mukuno is elected and appointed as Director, he will be insured by the policy. The Company plans to renew the policy with the same content with him at the next term of renewal.

Candidate number  
**3**

**Minako Nishimura** (December 13, 1959)  
(63 years old)

Number of the Company shares held  
0 shares



New election  
Outside  
Independent

**[Career summary, positions and areas of responsibility in the Company]**

Apr. 1983      Joined Fujitsu Limited  
July 1986      Joined Fujitsu International Engineering Limited  
Apr. 2006      General Manager, Media Solutions Department, Application Systems Division of  
Fujitsu Network Solutions Limited  
July 2007      General Manager, Information Systems Department, Internal Systems Management  
Division of Fujitsu Network Solutions Limited  
Dec. 2018      **Representative Director of Next Story Co., Ltd. (to present)**

**Summary of reason for nomination as a candidate for Outside Director and expected roles**

Ms. Minako Nishimura has abundant experience mainly in human resource development and career development, as well as broad insight as a corporate manager, and also has advanced knowledge in the field of IT. Based on her extensive experience and deep insight, she is nominated as a candidate for Outside Director who is an Audit & Supervisory Committee Member in the expectation that she will appropriately perform her duties from an independent standpoint in promoting DX, which promotes human resource development, change and growth for the future, which are important issues for the Company.

**Message from the candidate**

Amid the unstable global situation and ever-changing economic environment, technological innovations are rapidly advancing around the world. Under such circumstances, with a new company name and structure, this year we are finally shifting our focus from the innovation to the growth phase, and I will strive to maximize our human capital and contribute by actively offering my opinions in order to realize new value creation that will one day become natural.

- Notes:
1. There is no special interest between Ms. Minako Nishimura and the Company.
  2. Ms. Minako Nishimura is a candidate for Outside Director. She possesses independence as stipulated by the Tokyo Stock Exchange's criteria for independence and the Company's "Independence Criteria for Outside Officers." The Company intends for her to be as independent officer stipulated in Rule 436-2 of the Tokyo Stock Exchange Securities Listing Regulations.
  3. If the proposed appointment of Ms. Minako Nishimura is approved, the Company intends to enter into the liability limitation contract with her in accordance with the provisions of the Company's Articles of Incorporation and Article 427, paragraph (1) of the Companies Act to limit the liability for damages as provided for in Article 423, paragraph (1) of the Companies Act. The limitation of the liability for damages under the relevant contract is the minimum liability amount set forth in Article 425, paragraph (1) of the Companies Act.
  4. The Company has taken out a directors and officers liability insurance policy as provided for in Article 430-3, paragraph (1) of the Companies Act with an insurance company. The policy covers losses incurred in cases where an insured person, including a Director of the Company, receives a claim for damages arising from the performance of duties and assumes legal liability for the damages. However, to ensure that the appropriateness of the insured's performance of duties is not impaired, the policy does not cover damages arising from the cases caused by actions taken in the knowledge that the action violates laws or regulations. If Ms. Minako Nishimura is elected and appointed as Director, she will be insured by the policy. The Company plans to renew the policy with the same content with her at the next term of renewal.

## **Reference**

### **1. Corporate Governance**

#### **(1) Corporate Governance Initiatives**

In order to implement the growth strategies set forth in the new medium-term management plan “Change & Growth SWCC 2026” announced in November 2021 and to ensure the achievement of the performance targets for FY2026, the Company merged its operating companies, SWCC SHOWA CABLE SYSTEMS CO., LTD. and SWCC SHOWA UNIMAC CO., LTD., on April 1, 2023, to further accelerate the speed of strategy planning and execution by reducing the distance between management strategies and business operations, and transitioned from a pure holding company to an operating company.

The transition to an operating company has enabled the Company to concentrate the functions in the Business Strategy Division and further strengthen the ability to cross business segment boundaries, and to streamline the management and operation of internal Group operations by the Shared Services Division by standardizing common operations within the Group and unifying different systems among Group companies. Furthermore, the Company, which will become an operating company, will have the function of directly operating three business segments: the Energy and Infrastructure Business, Electrical Equipment and Components Business, and Communication and Industrial Devices Business. In this way, we have built a system and structure in which the Group’s management and strategy planning are directly linked to the strategy and operation of each business segment.

Overview of the reorganization of the group management structure

##### **(a) Transition from a pure holding company to an operating company**

Through the transition to an operating company, the Company intends to achieve the following.

###### **Improve the efficiency of group management**

By consolidating and integrating functions and divisions that are distributed or overlapped between the holding company and the operating companies, we will streamline the corporate functions that serve as shared resources for the entire Group. Furthermore, by clearly separating the strategy and management functions, we will improve the respective functions and increase the efficiency of group management.

###### **Strengthen group strategy functions**

By concentrating group strategy functions in the Business Strategy Division, we will further strengthen the ability to cross business segment boundaries. We will also add and expand strategy functions that are directly linked to manufacturing and innovation, such as research and development, production technology, and DX promotion.

###### **Streamline group management functions**

With respect to group management functions, by standardizing common operations within the Group and unifying different systems among Group companies, we will enable the management and operation of internal Group operations by the Shared Services Division. In addition, we will redeploy resources through the use of DX to improve the efficiency of operations, and try to make the most of the various human resources within the Group.

##### **(b) Further strengthen and deepen the business segment system**

The Group will have the function of directly operating three business segments: the Energy and Infrastructure Business, Electrical Equipment and Components Business, and Communication and Industrial Devices Business. In this way, we will build a system and structure in which the Group’s management and strategy planning are directly linked to the strategy and operation of each business segment. We will also strive to make decision-making even more efficient and faster by giving each segment manager a stronger authority and responsibility than ever before.

(c) Continue to strengthen governance

Under the system of a company with audit & supervisory committee, we will work to strengthen governance for the transparency and soundness of management while continuing to clearly separate management supervision, centered on Independent Outside Directors, from business execution by Executive Directors and Corporate Officers.

**(2) Optional Advisory Committee**

The Company has established the Nominating Committee and the Remuneration Committee, which constitute the Optional Advisory Committee to the Board of Directors, with the aim to improve objectivity and transparency of the process of human resource and remuneration decisions regarding Directors, etc. by appropriately securing opportunities for the Independent Outside Directors to involve and to offer advice, as well as to further enhance and strengthen the Corporate Governance Structure.

Each Committee is composed of three (3) or more Directors selected by resolution of the Board of Directors, in line with the Nominating Committee and Remuneration Committee Regulations, which stipulate that at least half of these are to be Independent Outside Directors.

For Proposal 3 and Proposal 4, a report has been obtained from the Nominating Committee, which is comprised of three (3) Independent Outside Directors.

The activities of the Nominating and Remuneration Committees during the fiscal year under review are as follows.

(i) Activities of the Nominating Committee

The Nominating Committee met six times during the fiscal year under review. The meetings held during the fiscal year under review focused mainly on following up on the next-generation management candidate development plan and deliberating the approach to performance reviews and evaluation results.

(ii) Activities of the Remuneration Committee

The Remuneration Committee met six times during the fiscal year under review. Deliberations during the fiscal year under review primarily revolved around review of officer remuneration plan and amounts of remuneration for the next fiscal year, and the committee reported on these to the Board of Directors. The results of performance reviews on incumbent Directors and Corporate Officers were referenced in developing a response on the amounts of remuneration for the next fiscal year (fiscal year 2023).

(iii) Future operation policies

From the viewpoint of relevance and depth of discussion in the Nominating and Remuneration Committees, the Committee will operate as the Nominating and Remuneration Committee from the Ordinary General Meeting of Shareholders on June 27, 2023 onward.

**(3) Corporate Officer System**

The Company strengthens and expands the Corporate Officer System with the aim of increasing the efficiency and speed of business execution.

Corporate Officers are appointed in the same way as the candidates for Directors, by a resolution of the Board of Directors after obtaining the report of the Nominating Committee. In addition, a Corporate Officer contract of mandate is concluded between the Company and the Corporate Officers, in which the authority, missions and responsibilities of each Corporate Officer are clarified.

Please refer to “(2) Status of Corporate Officers” under “3. Items concerning Company’s Officers” in the Business Report of the Japanese original, for details about the Company’s Corporate Officers as of April 1, 2023.

## **2. Criteria for Nominating and Dismissing Directors, etc.**

In order to enhance objectivity and transparency regarding the election and dismissal of Directors, etc., the Company has established the “Criteria for Nominating Director and Corporate Officer Candidates” and the “Independence Criteria for Outside Officers,” as well as the “Criteria for Dismissing Directors and Corporate Officers” over the Board of Directors. In addition, with regards to the election and dismissal of Directors, etc., to further enhance objectivity and transparency there shall be deliberations by the Nominating Committee, and the Board of Directors shall make the final decision, while respecting its response.

### **(1) Criteria for Nominating Director and Corporate Officer Candidates**

Individuals with outstanding character and insight who can supervise and execute management of the Company in accordance with the basic principles of the Corporate Governance are nominated as candidates for Director and Corporate Officer by resolution of the Board of Directors, regardless of their personal attributes such as gender and nationality, etc. The term of office of the Directors (excluding Directors who are Audit & Supervisory Committee Members) and Corporate Officers of the Company is one year.

#### **Directors:**

- (i) Must be an individual with background, capability, leadership, medium- and long-term perspective as well as high ethical standards, all appropriate to involve in decision-making related to management and in supervision of business execution.
- (ii) Must be an individual who respects and practices the Company’s corporate philosophy, has integrity trusted by customers, business partners, shareholders, local communities and employees, observes the law, the corporate code of conduct as well as the internal and external ethics and norms, and has the insight and fairness necessary for a Director.
- (iii) In addition to the items above, the Independent Outside Director of the Company must be an individual who can be judged to have independence based on the “Independence Criteria for Outside Officers” established by the Company.

#### **Corporate Officers:**

- (i) Must be an individual who is able to continuously improve the corporate value of the Company, offer concrete proposals of and execute management strategies and action plans that contribute to an increase in corporate value in the medium- and long-term, and who is able to continuously make efforts to perpetually review and improve them.
- (ii) Must be an individual with abilities that employees can aim for, such as responding to market changes and thoroughly practicing its basics, observing the law, building and applying compliance, internal control, as well as risk and crisis management.
- (iii) Must be an individual who has the abilities to freely discuss in the management meetings, etc., express constructive opinions, make recommendations and build a consistent strategic system by comprehensively identifying the management resources of the entire Group.
- (iv) Must also be an individual who has the abilities required as a corporate officer in charge of business execution of the entire Group.

## **(2) Independence Criteria for Outside Officers**

Outside Officers and candidates for Outside Officer are deemed to have independence by the Company if none of the following is found to apply as a result of a survey conducted by the Company to a reasonably possible extent.

- (i) People executing business (Note 1) of the Company and its subsidiaries (hereinafter referred to collectively as “the Group”) or people who have executed business of the Group in the past 10 years
- (ii) Major suppliers to the Group (Note 2), or people executing business of the suppliers
- (iii) Major clients of the Group (Note 3), or people executing business of the clients
- (iv) Major shareholders, directly or indirectly, with 10% or more of the total voting rights in the Company, or people executing business of the major shareholders
- (v) People belonging to the auditing firm that is the accounting auditor of the Group
- (vi) Lawyers, certified public accountants, tax accountants, consultants, etc. receiving substantial amounts (Note 4) of money and other economic benefits in addition to remuneration provided to officers by the Group
- (vii) People belonging to law offices, auditing firms, tax accounting or consulting firms, groups, such as a union, who receive substantial amounts of money and other economic benefits from the Group, people receiving substantial amounts of donations or assistance from the Group, or who have executed business or have been director of a firm or a group, such as a union
- (viii) People to whom either (ii) to (vii) above applied in the past 3 years
- (ix) Close relatives (Note 5) of people to whom either (i) to (vii) above applies

- Notes:
- 1. People executing business means Executive Director, Corporate Officer (Shikkoyaku or Shikkoyakuin), and employees that hold senior management position.
  - 2. Major supplier means a supplier whose transaction amount with the Group during the most recent fiscal year is more than 2% of the supplier’s consolidated net sales for that fiscal year, or financial institutions whose financing to the Group is more than 2% of the Group’s consolidated total assets at the end of the most recent fiscal year.
  - 3. Major client means a client whose transaction amount with the Group during the most recent fiscal year is more than 2% of the Company’s consolidated net sales for that fiscal year.
  - 4. Substantial amount means 10 million yen or more, for individuals, or more than 2% of consolidated net sales or gross revenue, for companies or groups, on average for the past three fiscal years.
  - 5. Close relative means a spouse or a relative of second-degree or closer.

## **(3) Criteria for Dismissing Directors and Corporate Officers**

If it is judged that a Director or Corporate Officer of the Company is likely to fall under any of the following items, the Nominating Committee shall deliberate and examine the need for dismissal and the Board of Directors shall make a decision.

- (i) Engaged in an act that is in breach of public order and morals (including where (s)he has been found to have a socially reprehensible relationship with antisocial forces)
- (ii) Violated laws and regulations or the Group’s rules, etc. including the Articles of Incorporation, causing a substantial loss or business hindrance to the Group
- (iii) Found not to possess abilities stipulated in the “Criteria for Nominating Director and Corporate Officer Candidates”
- (iv) Caused significantly poor business performance of the Group (applicable to Representative Director, President and Group CEO only)
- (v) Caused significantly poor business performance or operational malaise of a business or sector in charge (applicable to Corporate Officers only)
- (vi) Was significantly hindered, due to health reasons, etc., in the execution of duties

### **3. Evaluation of the Effectiveness of the Board of Directors**

In order to verify the appropriate functioning of the Board of Directors, the Company analyzes and evaluates its own effectiveness every fiscal year. Specifically, answers to a questionnaire given to all Directors are used to share evaluation results and issues with the Board of Directors, which then engages in constructive debate on the ideal state of the Board of Directors going forward.

The analysis and evaluation for the fiscal year under review were conducted in the following manner, with advice from an external organization. First, a questionnaire was sent to all directors who are members of the Board of Directors. The response method was anonymous, as responses were made directly to the external organization. The questionnaire was conducted from multiple perspectives, including the operation, composition, and deliberations of the Board of Directors.

As an overview of the evaluation results, it was found that the frequency of Board of Directors meetings is appropriate, and the deliberations are not formal, but rather free, vigorous, and constructive discussions and exchanges of opinions. Furthermore, in determining management strategies and plans, sufficient discussion was conducted with an awareness of profitability and capital efficiency. The results of the evaluation also indicate that the status of dialogue with shareholders (investors) through IR activities, etc. is appropriately fed back to the Board of Directors and is sufficiently discussed by them as an agenda item for deliberation. Other evaluation results include that there is sufficient communication between Internal Directors and Outside Directors. Therefore, we believe that the Board of Directors as a whole is functioning properly and its effectiveness is ensured, given that the results of each evaluation are generally favorable.

On the other hand, the Company has identified issues related to the efficient operation of the Board of Directors to improve its effectiveness, issues related to a mechanism for the Internal Audit Department to report directly to the Board of Directors and the Audit & Supervisory Committee in order for them to fulfill their functions, and issues related to deepening discussions on investments in human capital and intellectual property, etc.

Going forward, the Company's Board of Directors will continue to work to improve its function by taking prompt action on such issues upon due consideration in light of this evaluation of its effectiveness.

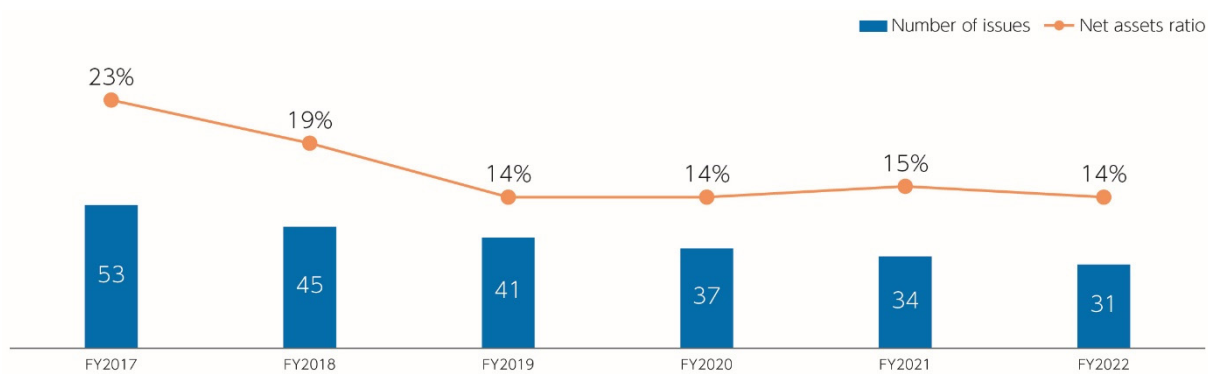
### **4. The Company's Policy on Cross-shareholdings**

#### **New basic policy on cross-shareholdings**

- (i) Our basic policy is not to hold any shares, in principle.
- (ii) If we have no choice but to continue to hold such shares, we will strictly examine the rationality of such holding.
- (iii) The exercise of voting rights regarding such shares will be judged comprehensively in light of their contribution to improving the Company's corporate value, etc.

Based on the above basic policy, the Company's immediate goal is to reduce the ratio of shares held as cross-shareholdings to consolidated net assets to less than 10% at the end of the fiscal year.

### Changes in cross-shareholdings



Note: The number of stocks and the ratio of year-end balance sheet amount to consolidated net assets are for SWCC SHOWA HOLDING CO., LTD. and SWCC SHOWA CABLE SYSTEMS CO., LTD. (the company with the largest balance sheet amount of investment stocks (investment stock amount) among consolidated subsidiaries). The Company has implemented an absorption-type merger with SWCC SHOWA CABLE SYSTEMS CO., LTD. on April 1, 2023 and changed its company name to SWCC Corporation.

End